STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATION OF CHASE OIL CORPORATION FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 24214

CHASE'S PRE-HEARING STATEMENT

Chase Oil Corporation ("Chase" or "Applicant"), the applicant in the above-referenced

matter, submits this Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

Chase Oil Corporation ("Chase")

ATTORNEY

Michael H. Feldewert Adam G. Rankin Paula M. Vance Holland & Hart, LLP Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com

APPLICANT'S STATEMENT OF THE CASE

In this case, Chase seeks an order pooling all uncommitted interests in the San Andres formation (WC 16S27E32; San Andres [98371]) underlying a standard 160-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 29, Township 16 South, Range 27 East, NMPM, Eddy County, New Mexico. Chase proposes to dedicate the above-referenced spacing unit to the proposed initial **Anchorage Federal Com #1H** well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 32, with a first take point in the

SW/4 SW/4 (Unit M) of Section 29 and a last take point in the NW/4 NW/4 (Unit D) of Section 29. The completed interval for the well will comply with statewide setbacks for oil wells. Chase has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject acreage.

APPLICANT'S PROPOSED EVIDENCE

WITNESS Name and Expertise	ESTIMATED TIME	EXHIBITS
Derik Smith, Landman	Self-Affirmed Statement	Approx. 4
Charles Sadler, Geologist	Self-Affirmed Statement	Approx. 3

PROCEDURAL MATTERS

Chase intends to present this case by self-affirmed statement at hearing if unopposed.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

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QUESTIONS

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Action 323183

QUESTIONS

Operator:	OGRID:
MACK ENERGY CORP	13837
P.O. Box 960 Artesia. NM 882110960	Action Number:
Artesia, INIVI 002 I 10900	323183
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	